

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 29, 1995

SUBJECT: **HB 374**

This bill, if enacted, will amend the Excise Tax Law by increasing the threshold from \$2,000 to \$2,500 which provides that a taxpayer will make estimated quarterly tax payments.

The fiscal impact from enactment of this bill is estimated to be one-time state expenditures of \$13,500 for computer system changes.

Enactment of this bill is also estimated to result in a decrease in first full year state revenues of approximately \$96,000 from less interest earnings. This estimate assumes 1500 taxpayers will be affected with an average liability of \$2200 and interest earnings of 5%. The loss in interest earnings will occur from two and one-half to 11 and one-half months.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director